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OIT-0613-86

24 JUL 1986

MEMORANDUM FOR: Director, Intelligence Community Staff

FROM: Mr. William F. Donnelly
Deputy Director for Administration

SUBJECT: Reduction in Funding for CAMS Development

REFERENCE: DCI/ICS 86/4568, dtd 9 July 86, Same Subject

1. I have received your memorandum of 9 July concerning cuts in the FY86 CAMS Processing Segment funding profile. I understand your concern about the implications of these cuts for the Community programs that CAMS P/S supports. I can assure you that this matter was examined at great length. At the time, I was Director of the Office of Information Technology. Throughout the period that cuts were being discussed the then Chairman/COMIREX made strong representations about the need to sustain funding. I represented his views to the then DDA, Mr. Dick Kerr, who has a quite clear understanding of national substantive priorities and of national systems. Further, we discussed options at length with the DDS&T, himself, and with the CIA Comptroller. Your IC Staff account representatives also discussed this matter with the OIT Deputy for Management.

2. In the end, we had no option but to take a share of our 1986 reductions and shortfalls from the CAMS Project. For OIT, CAMS represents fully 25% of the nonpersonal services funds. A heavy share of OIT funds are obligated early every year to cover contractual and O&M costs to operate the data processing and domestic communication utilities, including the CAMS Production System. Funds to develop new capabilities or to enhance existing systems became targets for reduction. Beyond the many mandated reductions in early FY86, there was a concurrent sharp rise in both current and investment requirements. I am not aware of any Congressional instruction to protect CAMS from sharing in either mandated or otherwise necessary reductions or reallocations in the CIAP -- there was no such instruction in FY86, in particular.

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Subject: Reduction in Funding for CAMS Development

3. I will continue to raise with our Executive Committee the issue of phasing CAMS funding with the delivery of systems that it supports. If fencing CAMS funds is necessary, I am prepared to support that recommendation before our EXCOM. I fully recognize the importance of the Project, and I am confident that the Office of Information Technology looks forward to providing the continued high-level support to which COMIREX has become accustomed.

/s/ William F. Donnelly

William F. Donnelly

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DCI/ICS 86/4568

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9 July 1986

MEMORANDUM FOR: Mr. William F. Donnelly
Deputy Director for Administration

FROM: VADM E.A. Burkhalter, Jr., USN
Director, Intelligence Community Staff

SUBJECT: Reduction in Funding for CAMS Development

1. It has been brought to my attention that CIA has unilaterally reduced the funding available for the continued development of the CAMS Processing Segment by \$6.0 million in FY 1986. I understand that \$1.5 million of this reduction was prompted by Gramm-Rudman-Hollings necessities, that approximately \$1.0 million has been restored, and that \$1.8 million has been temporarily restored by reverting to rental of equipment vice purchase. Nevertheless, I remain seriously concerned about two issues: (1) The net effect over the next several years equates to a reduction of about \$5.0 million worth of capability in the CAMS P/S, and (2) This reduction was identified and implemented to meet CIA unfunded requirements without any consultation with the Intelligence Community Staff, the "customer" for CAMS. I must remind you that funds for CAMS development are carried in the CIAP at Congressional direction and, in my view, should not be subject to the same reprogramming vulnerabilities as those allocated for bona fide CIA projects.

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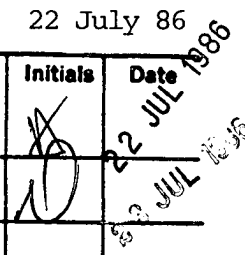
2. I see the successful resolution of this matter as critical to the continued partnership between the COMIREX Staff and CIA's Office of Information Technology in pursuit of a capable and reliable CAMS system. I believe it is essential that procedures be established which will prevent this type of difficulty from occurring in the future. Accordingly, I look forward to your personal involvement in seeking resolution of this issue and am prepared to work with you in achieving it.

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